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Sought Secrets for USSR

Trade Spy Is Sentenced

By Joe Pichirallo

Washington Post Staff Writer

A bizarre case in which federal prosecutors accused a Belgian businessman of trying to buy a Northern Virginia company's secret computer designs for a Soviet company ended yesterday when the man was sentenced to four months in prison.

The government said Marc Andre DeGeyter, 31, had participated in an industrial espionage scheme in which he allegedly offered up to \$500,000 to buy a computer trade secret from Software AG of North America Inc., a Reston-based company.

Under a plea bargain agreement developed last month, DeGeyter was allowed to plead guilty to two misdemeanor charges and, in return, the government dismissed an eight-count felony indictment against him.

Yesterday, DeGeyter's lawyers, calling their client an honest businessman who made a mistake, strongly asserted that DeGeyter was not a Russian spy. The lawyers said that sensational press account about the case, especially in the Belgian press, had greatly harmed his reputation.

David Cutner, DeGeyter's lawyer, said that his client was not cooperating with the government in any investigations. He was not a spy. He's not now a spy and he sure as hell does not want to become one," said Cutner, a New York lawyer who was critical of the government's use of the Soviet company in the original indictment.

Assistant U.S. Attorney Theodore S. Greenberg said in an interview "it was not part of the plea bargain to reduce the charges in return for his cooperation." Greenberg decline to specify why the charges were reduced, saying

that it was an "internal policy" decision.

Both the defense and prosecution also said yesterday they could not say for certain whether DeGeyter was in fact seeking the trade secret for the Soviet firm, identified as Techmashimport, a Moscow-based foreign trade company that has offices in New York City.

"I'm not trying to be cute. I really don't know," Cutner said. He acknowledged that DeGeyter said he was acting for the Soviet company when he was trying to buy the computer data but he said many honest businesses, including "Fortune 500" companies, sell to Techmashimport.

When DeGeyter was arrested at New York's Kennedy International Airport May 18, FBI agents seized documents in his briefcase that indicated he had dealings with the Soviet company. Among the papers was a contract between a Belgium-based DeGeyter company and the Soviet company and a visa permitting DeGeyter to travel to Russia in May, according to FBI search warrant papers.

"I'm sorry for my misbehavior," DeGeyter said yesterday before he was sentenced in U.S. District Court in Alexandria.

Judge Albert V. Bryan also fined him \$500 and ordered him into custody immediately. DeGeyter also paid a \$10,000 civil penalty as part of his plea agreement.

The two misdemeanors he pleaded guilty to were attempting to have the computer design taken out of the country without an export license and committing commercial bribery by offering to buy a trade secret.

Software's president, John Maguire, 50, said in an interview that learning his company's secret computer programmers design would be analogous to the Russians' acquiring the "recipe for Coca-Cola."

Maguire described Soviet computer technology as "antique" when compared to the United States' computer capabilities. "The Russian software technology is 10 to 15 years behind the U.S."

"One way to close the gap is to learn the internal source code and how it is constructed," said Maguire, whose company sells a computer program based on the code to government agencies and private businesses around the world.

"The U.S. has spent millions of dollars developing (computer technology)," Maguire said. "To the Russians \$500,000 is a drop in the bucket to try to catch up."

The government said DeGeyter spent more than a year trying to buy the trade secret from the computer company's employees, increasing his offer from \$150,000 to \$500,000.

DeGeyter was arrested shortly after giving an undercover FBI agent a \$500,000 check for computer tapes he believed contained the secret design.